National Institutes of Health Reform Act of 2006 H.R. 6164, Summary of Major Provisions

Overall Funding Authorization Increases

The overall authorization level for NIH increase each year by 5% for fiscal years 2007-2009.

Agency-wide Reporting System

The bill creates a new, comprehensive electronic reporting system that will, for the first time, catalogue all of the research activities of the NIH in a standardized format. Instead of thousands of pages of reports from each of the individual research institutes and centers, the NIH Director will compile biennially a report that comprehensively lays out the strategic plans and research activities of the agency. Increased transparency of NIH research activities will improve research portfolio management, provide greater accountability of research dollars, and spur creative thinking about new scientific approaches. This information is beneficial for independent investigators, public advocacy groups, NIH internally, and Congress.

Empowers the NIH Director to Direct

The bill establishes a formal strategic planning process for the entire research portfolio of the agency that transcends the research planning activities of individual institutes and centers through the establishment of the Division of Program Coordination, Planning, and Strategic Initiatives. By analyzing all of the activities underway throughout NIH, the Director, in consultation with the institute and center directors, should be able to identify areas of research that are either underemphasized or overemphasized and suggest appropriate changes. The bill does not change the authority of individual institutes and centers to conduct their individual planning, priority setting, and research activities.

"Common Fund" to Promote Trans-NIH Research Activities

Through the Division of Program Coordination, Planning, and Strategic Initiatives, the Director is authorized to identify research that is important to the advancement of biomedical science and involves the responsibilities of more than one institute or center (trans-NIH research activities). Trans-NIH research may include important areas of emerging scientific opportunities, rising public health challenges, or knowledge gaps that deserve special emphasis and would benefit from additional research, strategic coordination and planning.

The bill establishes a "common fund" to provide a permanent funding mechanism for trans-NIH research projects identified through the Division. The common fund is a reserve account that may be competitively drawn down by institutes, centers, and independent investigators to advance trans-NIH research. The common fund will grow to 5% of the total NIH budget, based on overall funding increases made through the annual appropriations process. Half of all new money appropriated to NIH will be reserved in the common fund until the common fund reaches 5%. Once the common fund reaches 5% of the total NIH budget, the Director of NIH in consultation with an advisory council must submit recommendations to Congress on changes to the amount of reservation for the common fund.

Proposals to the common fund must include, as appropriate, milestones and goals for the research to be conducted and include timeframes for funding of research supported by the common fund. The Director must ensure that the Division grants appropriate consideration of proposals for which the principal investigator is a first time applicant at NIH. Information on

common fund activities must be submitted in the biennial report to Congress. A new advisory council, to be known as the "Council of Councils" will review the trans-NIH proposals and make recommendations regarding which projects should be funded.

The legislation requires that NIH maintain an accurate, electronic reporting system to track all research grants and programs. With this system in place, NIH should be able to assess which research programs and grants involve collaborative efforts between one or more institutes and centers. Beginning in fiscal year 2008, institutes and centers may only receive funding increases if they report on the level of trans-NIH work that the institute or center has engaged in during the previous fiscal year.

"Scientific Management Review Group" to Determine Structural Changes

The bill establishes a formal, public process to review the structural organizational design of the agency at least once every seven years. A "scientific management review" group comprised of institute and center directors and other scientific experts will evaluate the structural design of the existing institutes and centers at NIH, propose new institutes and recommend necessary restructuring plans. After a series of statutorily required public meetings, the scientific management review board must issue its first report to Congress within 18 months of the date of enactment of the bill. The scientific management review board must conduct a review of the agency and issue a report at least once every seven years. If a recommendation is made regarding organizational authorities, the NIH official responsible for overseeing the change must initiate the public process toward making the change within 100 days, with the change fully implemented within a three year period. If the Director of NIH objects to a recommendation, he may submit within 90 days a report to Congress outlining the reasons for not implementing the recommendation.

Limitation on the Size of NIH

The bill limits the overall size of the NIH to the existing 27 institutes and centers.

Demonstration Programs

"Bridging the Sciences Demonstration Program." The bill authorizes the Secretary of HHS, acting through the Director of NIH, in consultation with the Director of the National Science Foundation, the Secretary of Energy, and other agencies, to award grants for demonstration projects for biomedical research at the interface between the biological, behavioral, and social sciences with the physical, chemical, mathematical, and computational sciences.

"High Risk, High Reward Research." Authorizes the Director of NIH to allocate funds for the national research institutes and centers to award grants, contracts, or engage in other transactions, for high-impact, cutting edge research that fosters scientific creativity and increases fundamental biological understanding leading to the prevention, diagnosis, and treatment of diseases and disorders. In addition to funds allocated by the Director, the head of a national research institute or center may conduct or support similar research with funds appropriated to the institute or center, if the institute or center gives notice to the Director of NIH beforehand and submits a report to the Director of NIH on an annual basis regarding the activities.